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#### REMARKS

This response is intended as a full and complete response to the non-final Office Action mailed January 10, 2006. In the Office Action, the Examiner notes that claims 1, 3-9, 14, 18, 19, 23, 24, 28-32, 34, 37, 40-43, 45-50, 52-56 and 58-64 are pending and rejected. By this response, Applicants have amended claims 1, 4, 7, 14, 24, 30, 42, and 60.

In view of both the amendments presented above and the following discussion, Applicants submit that none of the claims now pending in the application are obvious under the provisions of 35 U.S.C. §103. Thus, Applicants believe that all of the pending claims are now in allowable form.

It is to be understood that Applicants, by amending the claims, do not acquiesce to the Examiner's characterizations of the art of record or to Applicants' subject matter recited in the pending claims. Further, Applicants are not acquiescing to the Examiner's statements as to the applicability of the art of record to the pending claims by filing the instant responsive amendments.

### REJECTIONS

35 U.S.C. §103

## Claims 1, 3-9, 14, 18-19, 23-24 and 28-29

The Examiner has rejected claims 1, 3-9, 14, 18-19, 23-24 and 28-29 as being obvious under 35 U.S.C. §103 as being unpatentable over Graczyk In view of Banker, Palazzi, Granger, and Florin. Applicants respectfully traverse the rejections.

Applicants' independent claim 1 (and similarly claims 14 and 24) recites:

- A hardware upgrade for a set top terminal for use with a television program delivery system with menu selection of programs, the set top terminal having a microprocessor and microprocessor instructions for prompting generation of menus, the hardware upgrade comprising:
- an interface to the set top terminal for receiving and processing subscriber input:
- a modem connected to the interface for communicating with one or more headends, wherein the set top terminal receives television program signals based on the subscriber input; and
  - a microprocessor connected between the interface and the modern,

wherein the hardware upgrade is a card insertable into the set top terminal to add a data modulation and demodulation function to the set top terminal such that data may be retrieved from the one or more headends and stored in local storage and upgrades the set top terminal for the generation of menus comprising information from an interactive service for accessing an on-line database, and the interface to the terminal comprises:

interactive software stored in memory of said hardware upgrade to provide enhanced functional capabilities for the set top terminal; and processing circuitry to process said subscriber inputs associated with said interactive software.

Graczyk discloses modem (44) having a digital signal processor (102) in communications with ROM (108) which includes firmware that may act with the host software to move a block of compressed data from memory to generate an outgoing message and then record an incoming message (col. 7, lines 9-18; 58-66, col. 8, lines 1-18). Specifically, Graczyk is silent on generating menus that includes information from interactive services that access on-line databases. Thus, Graczyk does not disclose, teach or suggest hardware upgrade that "upgrades the set top terminal for the generation of menus comprising an interactive service for accessing an on-line database." Banker, Palazzi, Granger, and Florin also do not disclose hardware upgrade that "upgrades the set top terminal for the generation of menus comprising information from an interactive service."

As such, Applicants submit that claims 1, 14 and 24 are not obvious and fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Furthermore, claims 3-9, 18-19, 23 and 28-29 depend, either directly or indirectly, from either independent claim 1, claim 14 or claim 24, and recite additional features thereof. As such, and for at least the same reasons discussed above, Applicants submit that these dependent claims also fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

# Claims 30-32, 34, 37, 40-41, 45-50, 55, 56 and 58-59

The Examiner has rejected claims 30-32, 34, 37, 40-41, 45-50, 55, 56 and 58-59 as being obvious under 35 U.S.C. §103 over Palazzi in view of Banker, Florin and

Banker. It is unclear why Banker is currently listed twice. It is unclear why the Examiner included dependent claims that depend from claim 42 in this section. Applicant will treat claim 42 in the section below. Applicants respectfully traverse the rejection.

Applicants' independent claim 30 (and similarly claim 42) recites:

30. A television terminal having a microprocessor and microprocessor instructions for prompting generation of menus, the television terminal comprising:

a television program receiver;

an interface to the television terminal for receiving and processing subscriber input;

a modem for communicating with one or more headends, wherein the television terminal receives television program signals based on the subscriber input; and

a microprocessor connected between the interface and the modem;

a hardware upgrade for upgrading the television terminal in the generation of menus comprising information from an interactive service,

wherein the modem downloads data from the one or more headends to a local storage, the modem for communicating with the interactive service and an on-line database wherein the interactive service and the on-line database are outside of the television program delivery system; and

an output connected to the receiver and the modem, wherein the output accepts the television program signals from the receiver and data signals from the modem.

Palazzi, Banker, and Florin do not disclose, teach or suggest any hardware upgrade that allows a preexisting modern of the television terminal to be upgraded for generating menus having interactive services that access the on-line databases.

As such, Applicants submit that claims 30 and 42 are not obvious and fully satisfies the requirements of 35 U.S.C. §103 and is patentable thereunder. Claims 31-32, 34, 37, 40-41, 45-50, 55, 56 and 58-59 depend, either directly or indirectly, from independent claims 30 and 42 and recite additional features thereof. As such, and for at least the same reasons discussed above, Applicants submit that these dependent claims also fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

Furthermore, Granger and Florin are not prior art. Granger has a priority date of

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December 15, 1992, and Florin has a priority date of June 22, 1993. All the features of the present independent claims 30 and 42 are fully disclosed in the parent application, which has a filing date of December 9, 1992. Specifically, the parent application discloses a television terminal having a modern 627, wherein the hardware upgrade is on a card 700 and the upgrade includes 4 possible hardware upgrades such as Level B interactive unit as disclosed on pages 54-55. The upgrade utilizes the modem of the television terminal. This is also shown in FIG. 7b, which shows the hardware upgrade for generating the desired menus with on-line information.

#### Claims 42-44

The Examiner has rejected claims 42-44 as being obvious under 35 U.S.C. §103 over Banker, Palazzi and Florin in view of Vogel (of record). Applicants respectfully traverse the rejection.

Claim 44 has already been canceled.

As stated above Banker, Palazzi, and Florin do not teach or suggest any hardware upgrades to a set top terminal for the generation of menus comprising stored digital data. Vogel does not teach or suggest that limitation. Thus, Banker, palazzo, Florin and Vogel, singly or in combination, fail to disclose the invention as a whole.

Claim 43 depends directly from independent claim 42, and recites additional features thereof. As such, and for at least the same reasons discussed above, Applicants submit that claim 43 also fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

Furthermore, Granger and Florin are not prior art. Granger has a priority date of December 15, 1992, and Florin has a priority date of June 22, 1993. All the features of the present independent claim 42 are fully disclosed in the parent application, which has a filing date of December 9, 1992. Specifically, the parent application discloses a set top terminal with a hardware upgrade, wherein the upgrade is on a card and the upgrade includes 4 hardware upgrades such as Level B interactive unit as disclosed on pages 54-55 which uses a set top terminal's modern as claimed in claims 42-43.

#### <u>Claims 52-54</u>

The Examiner has rejected claims 52-54 under 35 U.S.C. §103(a) as being unpatentable over Banker, Palazzi, and Florin in view of Sprague (of record). Applicants respectfully traverse the Examiner's rejection.

The Examiner asserts that Sprague discloses CD-Rom as memory storage device. However, the addition of Sprague does not bridge the substantial gap between Palazzi, Banker, and Florin and the present invention. As stated above, Palazzi, Banker, and Florin does not teach or suggest using a hardware upgrade to allow a set top terminal to generate menus using stored digital data. Sprague also does not teach or suggest "wherein the hardware upgrades the set top terminal for the generation of menus comprising the stored digital data."

Furthermore, Granger and Florin are not prior art because Granger has a priority date of December 15, 1992 and Florin has a priority date of June 22, 1993. All the features of the present independent claims are fully disclosed in the parent application, which has a filing date of December 9, 1992. Specifically, the parent application discloses a set top terminal with a hardware upgrade, wherein the upgrade is on a card and the upgrade includes 4 hardware upgrades such as Level B interactive unit using a set top terminal's modern as disclosed on pages 54-55 which is in the present claims 52-54.

Claims 52-54 depend, either directly or indirectly, from independent claim 42, and recite additional features thereof. As such, and for at least the same reasons discussed above, Applicants submit that these dependent claims also fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

## Claims 60, 63 and 64

The Examiner has rejected claims 60, 63 and 64 as being obvious under 35 U.S.C. §103 over Granger in view of Wachob (U.S. Patent 5,234,494), Florin and Graczyk. Applicants respectfully traverse the rejections.

Applicants' independent claim 60 recites:

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60. Apparatus for upgrading a capability of a set top terminal (STT), said STT having circuitry adapted to receive a data stream including a plurality of compressed television program signals, decompress a compressed program signal and provide a corresponding output signal adapted for use by a display device, said apparatus comprising:

a STT interface, for enabling communication with said STT; a modem for providing on-line communications with a content provider, said modem being a card insertable into said STT to add a data modulation and demodulation function to said STT, wherein said STT includes a first processor for controlling said circuitry and wherein the apparatus upgrades the STT for the generation of menus comprising the on-line communications, and an upgrade processor, for communicating with said first processor via said STT interface, said upgrade processor controlling said upgrade modem.

Granger, Wachob and Florin do not disclose teach or suggest a modem that upgrades a STT for the generation of menus comprising the on-line communications. Graczyk fails to bridge the substantial gap between Granger, Wachob and Florin and Applicants' invention. In particular, Graczyk fails to teach or suggest at least an apparatus that upgrades the STT for the generation of menus comprising information of the on-line communications. Thus, Granger, Wachob and Florin, singly or in combination, fail to disclose the claimed invention as a whole.

As such, Applicants submit that claim 60 is not obvious and fully satisfies the requirements of 35 U.S.C. §103 and is patentable thereunder. Furthermore, claims 63 and 64 depend, either directly or indirectly, from independent claim 60, and recite additional features thereof. As such, and for at least the same reasons discussed above, Applicants submit that these dependent claims also fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

#### Claims 61 and 62

The Examiner has rejected claims 61 and 62 under 35 U.S.C. §103(a) as being unpatentable over Granger, Wachob, Florin, Graczyk in view of Pond (U.S. Patent 5,329,590). Applicants respectfully traverse the Examiner's rejection.

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Examiner asserts that Pond teaches sending billing information and programming events. However, the addition of Pond does not bridge the substantial gap between Granger, Wachob, Florin and Graczyk and the present invention. Pond also does not disclose teach or suggest an apparatus that upgrades a STT for the generation of menus comprising information of the on-line communications. Thus, Pond, Granger, Wachob, Florin and Graczyk, singly or in combination, fail to teach or suggest the claimed invention as a whole.

Claims 61 and 62 depend, either directly or indirectly, from independent claim 60, and recite additional features thereof. As such, Applicants submit that claims 61 and 62 are not obvious and fully satisfy the requirements of 35 U.S.C. §103 and are patentable thereunder. Therefore, Applicants respectfully request that the rejections be withdrawn.

#### CONCLUSION

Applicants believe all the claims are presently in condition for allowance. Accordingly, both reconsideration of this application and its swift passage to issue are earnestly solicited.

If, however, the Examiner believes that there are any unresolved issues requiring the issuance of an adverse final action in any of the claims now pending in the application, it is requested that the Examiner telephone <u>Eamon J. Wall or Jasper Kwoh</u> at (732) 530-9404 so that appropriate arrangements can be made for resolving such issues as expeditiously as possible.

Respectfully submitted,

3/28/06

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